



**SALES AND USE TAX
Cottonwood County**

March 21, 2025

| | Yes | No |
|----------------------------------|-----|----|
| DOR Administrative Costs/Savings | | X |

Department of Revenue

Analysis of S.F. 2014 (Weber) as Proposed to be Amended (SCS2014a-1)

| | Fund Impact | | | |
|----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | <u>F.Y. 2026</u> | <u>F.Y. 2027</u> | <u>F.Y. 2028</u> | <u>F.Y. 2029</u> |
| | | (000's) | | |
| General Fund | (\$300) | \$0 | \$0 | \$0 |
| Natural Resources and Arts Funds | <u>(\$20)</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Total – All Funds | (\$320) | \$0 | \$0 | \$0 |

Effective for sales and purchases made after December 19, 2023, and before January 1, 2027.

EXPLANATION OF THE BILL

The bill would exempt materials and supplies used in and equipment incorporated into the construction of the Cottonwood County Public Works Maintenance Facility. The exemption would be administered as a refund and only apply to purchases made after December 19, 2023, and before January 1, 2027. Refunds for eligible purchases must not be issued until after June 30, 2025.

REVENUE ANALYSIS DETAIL

- The estimate is based on project information provided by the Cottonwood County Auditor/Treasurer.
- The total project cost is estimated to be \$11.4 million.
- The total cost of materials is estimated to be \$4.6 million.
- The project began in April 2024 and will be completed in July 2025. The distribution of expected refund claims is assumed based on the project timeline.

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
revenue-analyses](https://www.revenue.state.mn.us/revenue-analyses)

sf2014(hf1924) Cottonwood County Public Works construction exemption_1 / ac